

Introduced by Senator Steinberg

February 18, 2011

~~An act to add Chapter 3.8 (commencing with Section 7295) to Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to local taxation. An act to amend Sections 17041.5, 30111, and 32010 of, to add Section 17041.6 to, and to add Chapter 3.53 (commencing with Section 7289), Chapter 3.54 (commencing with Section 7289.10), Chapter 3.55 (commencing with Section 7289.20), Chapter 3.56 (commencing with Section 7289.30), Chapter 3.57 (commencing with Section 7289.40), and Chapter 3.58 (commencing with Section 7289.50), to Part 1.7 of Division 2 of, the Revenue and Taxation Code, relating to local taxation, and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 653, as amended, Steinberg. Local taxation: *counties*: general authorization.

The California Constitution prohibits the Legislature from imposing taxes for local purposes, but allows the Legislature to authorize local governments to impose them.

This bill would authorize the board of supervisors of any county or city and county, ~~by ordinance or resolution, to propose to the voters a tax, including, but not limited to, subject to specified constitutional and voter approval requirements, to levy, increase, or extend a local personal income tax, a local corporate income tax, and a local sales transactions and use tax, vehicle license fee, and excise tax, including, but not limited to, an alcoholic beverages tax, a cigarette and tobacco products tax, a sweetened beverage tax, and an oil severance tax, as provided.~~

This bill would require the State Board of Equalization, the Franchise Tax Board, or the Department of Motor Vehicles to perform various functions incident to the administration and operation of a local tax if the county or city and county contracts with the state agency to perform those functions.

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 3.53 (commencing with Section 7289)
2 is added to Part 1.7 of Division 2 of the Revenue and Taxation
3 Code, to read:

4
5 CHAPTER 3.53. GENERAL LOCAL TAX AUTHORIZATION
6

7 7289. Notwithstanding any other law, but subject to the
8 limitations of the California Constitution, the board of supervisors
9 of any county or city and county may, in accordance with Article
10 3.7 (commencing with Section 53720) of Chapter 4 of Part 1 of
11 Division 2 of Title 5 of the Government Code, levy, increase, or
12 extend any of the following taxes:

13 (a) A local personal income tax that is assessed and collected
14 by the Franchise Tax Board in accordance with Section 17041.6.

15 (b) A transactions and use tax, adopted in accordance with the
16 Transactions and Use Tax Law (Part 1.6 (commencing with Section
17 7251)), notwithstanding any rate limitations specified in that law
18 for a county or city and county.

19 (c) A local vehicle license fee that is assessed and collected in
20 accordance with Chapter 3.54 (commencing with Section 7289.10).

21 (d) (1) An excise tax, including, but not limited to, a local
22 alcoholic beverage tax, a local cigarette and tobacco products
23 tax, a local sweetened beverage tax, and a local medical marijuana
24 tax.

25 (A) A local alcoholic beverage tax shall be assessed and
26 collected in accordance with Chapter 3.55 (commencing with
27 Section 7289.20).

28 (B) A local cigarette and tobacco products tax shall be assessed
29 and collected in accordance with Chapter 3.56 (commencing with
30 Section 7289.30).

1 (C) A local sweetened beverage tax shall be assessed and
2 collected in accordance with Chapter 3.58 (commencing with
3 Section 7289.50).

4 (2) Notwithstanding paragraph (1), an excise tax shall not
5 include a motor vehicle fuel tax or diesel fuel tax.

6 (3) A county or city and county may contract with the State
7 Board of Equalization to administer an excise tax. The contract
8 shall contain a provision that the county or city and county shall
9 reimburse the State Board of Equalization for all refunds, losses,
10 and costs incurred in the administration of the tax.

11 (e) A local tax on extractive business activities, as defined in
12 paragraph (3) of subdivision (d) of Section 25128, not to exceed
13 2 percent of the wholesale value per unit measure.

14 (f) A local oil severance tax that is assessed and collected in
15 accordance with Chapter 3.57 (commencing with Section 7289.40).

16 SEC. 2. Chapter 3.54 (commencing with Section 7289.10) is
17 added to Part 1.7 of Division 2 of the Revenue and Taxation Code,
18 to read:

19
20 CHAPTER 3.54. COUNTY VEHICLE LICENSE FEE

21
22 7289.10. (a) An ordinance imposing a local vehicle license
23 fee, as authorized pursuant to Chapter 3.53 (commencing with
24 Section 7289), shall not to exceed 1.35 percent.

25 (b) (1) The Department of Motor Vehicles shall administer the
26 local vehicle license fee.

27 (2) Prior to the operative date of any ordinance imposing a
28 local vehicle license fee, the county or city and county shall
29 contract with the Department of Motor Vehicles to perform all
30 functions incident to the administration of the local vehicle license
31 fee.

32 (3) The contract shall require the county or city and county to
33 reimburse the Department of Motor Vehicles for all refunds, losses,
34 and costs incurred in the administration and operation of the local
35 vehicle license fee.

36 (4) The local vehicle license fee shall be assessed and collected
37 in the same manner as the fee imposed by Part 5 (commencing
38 with Section 10701).

39 (5) (A) Amounts collected pursuant to this chapter shall be
40 transmitted to the Treasurer and deposited in the State Treasury

1 to the credit of the Local Vehicle License Fee Account in the
2 General Fund, which is hereby created.

3 (B) Notwithstanding Section 13340 of the Government Code,
4 the moneys in the Local Vehicle License Fee Account are hereby
5 continuously appropriated, without regard to fiscal year, to the
6 Controller for allocation to each county and city and county in
7 which the local vehicle license fee is imposed.

8 SEC. 3. Chapter 3.55 (commencing with Section 7289.20) is
9 added to Part 1.7 of Division 2 of the Revenue and Taxation Code,
10 to read:

11
12 *CHAPTER 3.55. COUNTY ALCOHOLIC BEVERAGE TAX*
13

14 7289.20. (a) Subject to the requirements of this chapter, the
15 board of supervisors of a county or city and county may impose a
16 tax on the privilege of selling beer, wine, or distilled spirits at
17 retail in the county, as authorized pursuant to Chapter 3.53
18 (commencing with Section 7289). The board of supervisors may
19 impose this tax within an incorporated city within the county or
20 city and county.

21 (b) Any tax imposed shall not exceed the following:

22 (1) On beer, five cents (\$0.05) per 12 ounces and at a
23 proportionate rate for any other quantity.

24 (2) On wine, five cents (\$0.05) per 5 ounces and at a
25 proportionate rate for any other quantity.

26 (3) On distilled spirits, five cents (\$0.05) per 1.5 ounces and at
27 a proportionate rate for any other quantity.

28 (c) Any tax imposed shall not be regulatory within the meaning
29 of Section 22 of Article XX.

30 7289.21. For purposes of this chapter, “beer,” “wine,” and
31 “distilled spirits” have the same meanings as provided in Sections
32 23006, 23007, and 23005 of the Business and Professions Code.

33 7289.22. (a) The imposition of a tax pursuant to this chapter
34 shall not prohibit the concurrent application of a tax imposed
35 pursuant to the Sales and Use Tax Law (Part 1 (commencing with
36 Section 6001)), the Bradley-Burns Uniform Sales and Use Tax
37 Law (Part 1.5 (commencing with Section 7200)), or a tax imposed
38 in accordance with the Transactions and Use Tax Law (Part 1.6
39 (commencing with Section 7251)), on the sale of or the, storage,
40 use, or other consumption of, beer, wine or distilled spirits.

1 (b) Notwithstanding Section 7203.5 or any other law, the
2 imposition of a tax pursuant to this chapter by a county or city
3 and county shall not prohibit the concurrent administration by the
4 board of a sales or use tax ordinance adopted by that county
5 pursuant to the Bradley-Burns Uniform Local Sales and Use Tax
6 Law (Part 1.5 (commencing with Section 7200)) or in accordance
7 with the Transactions and Use Tax Law (Part 1.6 (commencing
8 with Section 7251)).

9 7289.23. Any ordinance levying a tax pursuant to this chapter
10 shall provide that the tax shall conform to Part 1.6 (commencing
11 with Section 7251). However, a tax imposed pursuant to this
12 chapter is not a sales or use tax or a transactions or use tax, and
13 shall not be considered as such for purposes of Section 7251.1.

14 7289.24. An ordinance adopted pursuant to this chapter shall
15 be operative on the first day of a calendar quarter commencing
16 more than 90 days after the adoption of the ordinance.

17 7289.26. Prior to the operative date of any ordinance imposing
18 a tax pursuant to this chapter, the board of supervisors of the
19 county or city and county shall do either of the following:

20 (a) Notify the State Board of Equalization in writing that the
21 county or city and county will be responsible for administering
22 the tax imposed pursuant to an ordinance authorized by this
23 chapter on its own behalf, and that the ordinance does not impose
24 any duties or responsibilities for administering the tax upon the
25 State Board of Equalization.

26 (b) Contract with the State Board of Equalization to perform
27 all functions incident to the administration and operation of the
28 ordinance. If the county or city and county has not contracted with
29 the board prior to the operative date of the ordinance, the operative
30 date shall be delayed until the first day of the first calendar quarter
31 following the execution of the contract.

32 7289.27. For a county or city and county that elects to contract
33 with the State Board of Equalization to administer a tax imposed
34 by the county, as authorized by this chapter, the following shall
35 apply:

36 (a) The contract shall require the county to do both of the
37 following:

38 (1) Reimburse the State Board of Equalization for, and hold the
39 board harmless from, any and all costs, losses, or refunds.

(2) *In the event that a legal action is commenced challenging the validity of the tax in its entirety, as opposed to the application of the tax to an individual taxpayer, place the tax proceeds into an interest-bearing escrow account until the legality of the tax is resolved by a final and nonappealable decision rendered by a court of competent jurisdiction. This paragraph shall be enforceable by any interested party in a proceeding for a writ of mandate.*

(b) *The county or city and county shall reimburse the State Board of Equalization for any costs the board incurs in preparing to administer and operate the tax. The county or city and county shall reimburse the board as the costs are incurred and billed by the board, on a monthly basis. These reimbursable costs shall include costs incurred for the following:*

(1) *Developing procedures.*

(2) *Programming for data processing.*

(3) *Developing and adopting appropriate regulations.*

(4) *Designing and printing forms.*

(5) *Developing instructions for the State Board of Equalization staff and for taxpayers.*

(6) *Any other necessary preparatory costs, including the State Board of Equalization's direct and indirect costs as specified by Section 11256 of the Government Code.*

(c) *Any dispute as to the amount of preparatory costs incurred by the State Board of Equalization shall be resolved by the Director of Finance, whose decision shall be final. The maximum amount of all preparatory costs to be paid by the county or city and county to the board shall not exceed one hundred seventy-five thousand dollars (\$175,000).*

(d) *In addition to the amounts paid to the State Board of Equalization for the preparatory costs described in subdivision (b), the county or city and county shall reimburse the board for the cost of the board's services in administering the tax. The amount of this cost shall be determined by the board with the concurrence of the Department of Finance.*

(e) *All revenues collected from taxes imposed pursuant to the authorization of this chapter in counties or a city and county that have contracted with the State Board of Equalization to administer the tax shall be remitted to the board and allocated by the board as follows:*

(1) First, for reimbursement to the board for the reasonable costs, as specified in subdivisions (b) and (d), of administering and enforcing the tax ordinance on behalf of the county pursuant to the contract between the board and the county or city and county.

(2) Second, for transmission to each county or city and county that has contracted with the board pursuant to subdivision (b) of Section 7289.26, in proportion to the amount of revenues derived from each county's or city and county's respective tax.

(f) The State Board of Equalization shall transmit to a county or city and county all revenues derived from the taxes imposed pursuant to this chapter and collected by the board pursuant to a contract with the county or city and county periodically as promptly as feasible. The transmittals shall be made at least twice in each calendar quarter.

7289.28. Except as provided in Section 7289.29, to the extent practicable, Chapter 5 (commencing with Section 6451), Chapter 6 (commencing with Section 6701), Chapter 7 (commencing with Section 6901), and Chapter 8 (commencing with Section 7051) of Part 1, shall govern determinations, collection of tax, overpayments, and refunds, and administration of all taxes imposed under the authorization of this chapter.

7289.29. The return and payment of any tax imposed pursuant to the authorization of this chapter shall be due and payable to the board on the same date as the return and payment of the tax imposed pursuant to Part 1 (commencing with Section 6001), provided that the retailer is within the jurisdiction of a county or city and county that elects to contract with the board to administer the tax, pursuant to subdivision (b) of Section 7289.26. If the retailer is within the jurisdiction of a county or city and county that has elected not to contract with the board to administer the tax, the return and payment of the tax imposed pursuant to the authorization of this chapter is due and payable from the retailer as prescribed in the ordinance adopted by the county or city and county.

SEC. 4. Chapter 3.56 (commencing with Section 7289.30) is added to Part 1.7 of Division 2 of the Revenue and Taxation Code, to read:

1 *CHAPTER 3.56. COUNTY CIGARETTE AND TOBACCO PRODUCT*
2 *TAX*

3
4 7289.30. (a) *Subject to the requirements of this chapter, the*
5 *board of supervisors of a county or city and county may impose a*
6 *tax on the privilege of distributing cigarettes and tobacco products*
7 *in the county, as authorized pursuant to Chapter 3.53 (commencing*
8 *with Section 7289). The board of supervisors may impose this tax*
9 *within an incorporated city within the county or city and county.*

10 (b) *Any tax imposed shall not exceed the following:*

11 (1) *On cigarettes, five cents (\$0.05) per cigarette.*

12 (2) *On tobacco products, based on the wholesale cost of these*
13 *products, at a tax rate, as determined annually by the State Board*
14 *of Equalization, which is equivalent to five cents (\$0.05) per*
15 *cigarette.*

16 (3) *Any tax imposed shall be assessed and collected in the same*
17 *manner as the taxes imposed by the Cigarette and Tobacco*
18 *Products Tax Law (Part 13 (commencing with Section 30001)).*

19 7289.31. *An ordinance adopted pursuant to this chapter shall*
20 *be operative on the first day of a calendar quarter commencing*
21 *more than 110 days after the adoption of the ordinance.*

22 7289.32. *Prior to the operative date of any ordinance imposing*
23 *a tax pursuant to this chapter, the board of supervisors of the*
24 *county or city and county shall do either of the following:*

25 (a) *Notify the State Board of Equalization in writing that the*
26 *county or city and county will be responsible for administering*
27 *the tax imposed pursuant to an ordinance authorized by this*
28 *chapter on its own behalf, and that the ordinance does not impose*
29 *any duties or responsibilities for administering the tax upon the*
30 *State Board of Equalization.*

31 (b) *Contract with the State Board of Equalization to perform*
32 *all functions incident to the administration and operation of the*
33 *ordinance. If the county has not contracted with the board prior*
34 *to the operative date of the ordinance, the operative date shall be*
35 *delayed until the first day of the first calendar quarter following*
36 *the execution of the contract.*

37 7289.33. *For a county or city and county that elects to contract*
38 *with the State Board of Equalization to administer a tax imposed*
39 *by the county or city and county, as authorized by this chapter,*
40 *the following shall apply:*

1 (a) *The contract shall require the county or city and county to*
2 *do both of the following:*

3 (1) *Reimburse the State Board of Equalization for, and hold the*
4 *board harmless from, any and all costs, losses, or refunds.*

5 (2) *In the event that a legal action is commenced challenging*
6 *the validity of the tax in its entirety, as opposed to the application*
7 *of the tax to an individual taxpayer, place the tax proceeds into*
8 *an interest-bearing escrow account until the legality of the tax is*
9 *resolved by a final and nonappealable decision rendered by a*
10 *court of competent jurisdiction. This paragraph shall be*
11 *enforceable by any interested party in a proceeding for a writ of*
12 *mandate.*

13 (b) *The county or city and county shall reimburse the State*
14 *Board of Equalization for any costs the board incurs in preparing*
15 *to administer and operate the tax. The county or city and county*
16 *shall reimburse the board as the costs are incurred and billed by*
17 *the board, on a monthly basis. These reimbursable costs shall*
18 *include costs incurred for the following:*

19 (1) *Developing procedures.*

20 (2) *Programming for data processing.*

21 (3) *Developing and adopting appropriate regulations.*

22 (4) *Designing and printing forms.*

23 (5) *Developing instructions for the State Board of Equalization*
24 *staff and for taxpayers.*

25 (6) *Any other necessary preparatory costs, including the State*
26 *Board of Equalization's direct and indirect costs as specified by*
27 *Section 11256 of the Government Code.*

28 (c) *Any dispute as to the amount of preparatory costs incurred*
29 *by the State Board of Equalization shall be resolved by the Director*
30 *of Finance, whose decision shall be final. The maximum amount*
31 *of all preparatory costs to be paid by the county or a city and*
32 *county to the board shall not exceed one hundred seventy-five*
33 *thousand dollars (\$175,000).*

34 (d) *In addition to the amounts paid to the State Board of*
35 *Equalization for the preparatory costs described in subdivision*
36 *(b), the county or a city and county shall reimburse the board for*
37 *the cost of the board's services in administering the tax. The*
38 *amount of this cost shall be determined by the board with the*
39 *concurrence of the Department of Finance.*

1 (e) All revenues collected from taxes imposed pursuant to the
2 authorization of this chapter in counties or a city and county that
3 have contracted with the State Board of Equalization to administer
4 the tax shall be remitted to the board and allocated by the board
5 as follows:

6 (1) First, for reimbursement to the board for the reasonable
7 costs, as specified in subdivisions (b) and (d), of administering
8 and enforcing the tax ordinance on behalf of the county or city
9 and county pursuant to the contract between the board and the
10 county or city and county.

11 (2) Second, for transmission to each county or city and county
12 that has contracted with the board pursuant to subdivision (b) of
13 Section 7289.32, in proportion to the amount of revenues derived
14 from each county's or city and county's respective tax.

15 (f) The State Board of Equalization shall transmit to a county
16 or city and county all revenues derived from the taxes imposed
17 pursuant to this chapter and collected by the board pursuant to a
18 contract with the county or city and county periodically as promptly
19 as feasible. The transmittals shall be made at least twice in each
20 calendar quarter.

21 7289.34. Except as provided in Section 7289.45, to the extent
22 practicable, Chapter 4 (commencing with Section 30181), Chapter
23 5 (commencing with Section 30301), Chapter 6 (commencing with
24 Section 30361), and Chapter 8 (commencing with Section 30451)
25 of Part 13, shall govern determinations, collection of tax,
26 overpayments, and refunds, and administration of all taxes imposed
27 under the authorization of this chapter.

28 7289.35. The return and payment of any tax imposed pursuant
29 to the authorization of this chapter is due and payable to the board
30 on the same date as the return and payment of the tax imposed
31 pursuant to Part 13 (commencing with Section 30001), provided
32 that the retailer is within the jurisdiction of a county or city and
33 county that elects to contract with the board to administer the tax,
34 pursuant to subdivision (b) of Section 7289.32. If the retailer is
35 within the jurisdiction of a county or city and county that has
36 elected not to contract with the board to administer the tax, the
37 return and payment of the tax imposed pursuant to the
38 authorization of this chapter is due and payable from the retailer
39 as prescribed in the ordinance adopted by the county or city and
40 county.

1 *SEC. 5. Chapter 3.57 (commencing with Section 7289.40) is*
2 *added to Part 1.7 of Division 2 of the Revenue and Taxation Code,*
3 *to read:*

4
5 *CHAPTER 3.57. COUNTY OIL SEVERANCE TAX*
6

7 7289.40. (a) *Subject to the requirements of this chapter, the*
8 *board of supervisors of a county or city and county may impose a*
9 *tax upon a producer for the privilege of severing oil from the earth*
10 *or water in the county for sale, transport, consumption, storage,*
11 *profit, or use, as authorized pursuant to Chapter 3.53 (commencing*
12 *with Section 7289). The board of supervisors may impose this tax*
13 *within an incorporated city within the county or city and county.*

14 (b) *Any tax imposed shall not exceed 10 percent of the gross*
15 *value of the product.*

16 (c) *Except as otherwise provided in this chapter, the tax shall*
17 *be upon the entire production in the county or city and county,*
18 *regardless of the place of sale or to whom sold or by whom used,*
19 *or the fact that the delivery may be made to points outside the*
20 *county or city and county.*

21 (d) *The tax shall be in addition to any ad valorem taxes imposed*
22 *by the state, or any of its political subdivisions, or any local*
23 *business license taxes that may be incurred for the privilege of*
24 *severing oil from the earth or water or doing business in that*
25 *locality. An exemption shall not be allowed from the payment of*
26 *an ad valorem tax related to equipment, material, or property by*
27 *reason of the payment of the gross severance tax.*

28 (e) *Two or more producers that are corporations and are owned*
29 *or controlled directly or indirectly, as defined in Section 25105,*
30 *by the same interests shall be considered as a single producer for*
31 *purposes of application of the tax.*

32 (f) *There shall be exempted from the imposition of the tax*
33 *imposed pursuant to this part oil produced by a stripper well in*
34 *which the average value of oil as of January 1 of the prior year is*
35 *less than thirty dollars (\$30) per barrel price of California oil.*
36 *The Division of Oil, Gas, and Geothermal Resources in the*
37 *Department of Conservation shall provide notification of all wells*
38 *that have been certified as a stripper well.*

39 (g) *For oil produced in this state from a well that qualifies under*
40 *Section 3251 of the Public Resources Code or which has been*

1 *inactive for a period of at least the preceding five consecutive*
2 *years, the imposition of the tax imposed pursuant to this part shall*
3 *be reduced to zero for a period of 10 years. The Division of Oil,*
4 *Gas, and Geothermal Resources in the Department of Conservation*
5 *shall determine which wells qualify under Section 3251 of the*
6 *Public Resources Code or which have been inactive for a period*
7 *of at least the preceding five consecutive years, and shall provide*
8 *notification of its determinations.*

9 *(h) There shall be exempted from the imposition of a tax imposed*
10 *all oil owned or produced by the state and any political*
11 *subdivision's (including any local public entity, as defined by*
12 *Section 900.4 of the Government Code) proprietary share of oil*
13 *produced under any unit, cooperative, or other pooling agreement.*

14 *7289.41. For purposes of any tax imposed, all of the following*
15 *definitions shall apply:*

16 *(a) "Barrel of oil" means 42 United States gallons of 231 cubic*
17 *inches per gallon computed at a temperature of 60 degrees*
18 *Fahrenheit.*

19 *(b) "Gross value" means the sale price at the mouth of the well,*
20 *including any bonus, premium, or other thing of value paid for the*
21 *oil. If there is no sale at the time of severance, "gross value" means*
22 *the sale price when the oil is sold, including any bonus, premium,*
23 *or other thing of value paid for the oil. If oil is exchanged for*
24 *something other than cash, or if the relation between the buyer*
25 *and the seller is such that the consideration paid, if any, is not*
26 *indicative of the true value or market price, then the board shall*
27 *determine the value of the oil subject to the tax based on the cash*
28 *price paid to producers for like quality oil in the vicinity of the*
29 *well.*

30 *(c) "Oil" means petroleum, or other crude oil, condensate,*
31 *casing head gasoline, or other mineral oil that is mined, produced,*
32 *or withdrawn from below the surface of the soil or water in the*
33 *county or city and county.*

34 *(d) "Producer" means any person or entity that takes oil from*
35 *the earth or water in the county or city and county in any manner;*
36 *any person that owns, controls, manages, or leases any oil well*
37 *in the earth or water of the county or city and county; any person*
38 *that produces or extracts in any manner any oil by taking it from*
39 *the earth or water in the county or city and county; any person*
40 *that acquires the severed oil from a person or agency exempt from*

1 *property taxation under the United States Constitution or other*
2 *laws of the United States or under the California Constitution or*
3 *other laws of the State of California; and any person that owns*
4 *an interest, including a royalty interest, in oil or its value, whether*
5 *the oil is produced by the person owning the interest or by another*
6 *on the person's behalf by lease, contract, or other arrangement.*

7 *(e) "Production" means the total gross amount of oil produced,*
8 *including the gross amount attributable to a royalty or other*
9 *interest.*

10 *(f) "Severed" or "severing" means the extraction or*
11 *withdrawing from below the surface of the earth or water of any*
12 *oil, regardless of whether the extraction or withdrawal shall be*
13 *by natural flow, mechanical flow, forced flow, pumping, or any*
14 *other means employed to get the oil from below the surface of the*
15 *earth or water, and shall include the extraction or withdrawal by*
16 *any means whatsoever of oil upon which the tax has not been paid,*
17 *from any surface reservoir, natural or artificial, or from a water*
18 *surface.*

19 *(g) "Stripper well" means a well that has been certified by the*
20 *Division of Oil, Gas, and Geothermal Resources in the Department*
21 *of Conservation as an oil well incapable of producing an average*
22 *of more than 10 barrels of oil per day during the entire taxable*
23 *month. Once a well has been certified as a stripper well, that*
24 *stripper well shall remain certified as a stripper well until the well*
25 *produces an average of more than 10 barrels of oil per day during*
26 *an entire taxable month.*

27 *7289.42. Prior to the operative date of any ordinance imposing*
28 *a tax pursuant to this chapter, the board of supervisors of the*
29 *county or city and county shall do either of the following:*

30 *(a) Notify the State Board of Equalization in writing that the*
31 *county or city and county will be responsible for administering*
32 *the tax imposed pursuant to an ordinance authorized by this*
33 *chapter on its own behalf, and that the ordinance does not impose*
34 *any duties or responsibilities for administering the tax upon the*
35 *State Board of Equalization.*

36 *(b) Contract with the State Board of Equalization to perform*
37 *all functions incident to the administration and operation of the*
38 *ordinance. If the county or city and county has not contracted with*
39 *the board prior to the operative date of the ordinance, but shall*

1 contract, the operative date shall be delayed until the first day of
2 the first calendar quarter following the execution of the contract.

3 7289.43. For a county or city and county that elects to contract
4 with the State Board of Equalization to administer a tax imposed
5 by the county or city and county, as authorized by this chapter,
6 the following shall apply:

7 (a) The contract shall require the county to do both of the
8 following:

9 (1) Reimburse the State Board of Equalization for, and hold the
10 board harmless from, any and all costs, losses, or refunds.

11 (2) In the event that a legal action is commenced challenging
12 the validity of the tax in its entirety, as opposed to the application
13 of the tax to an individual taxpayer, place the tax proceeds into
14 an interest-bearing escrow account until the legality of the tax is
15 resolved by a final and nonappealable decision rendered by a
16 court of competent jurisdiction. This paragraph shall be
17 enforceable by any interested party in a proceeding for a writ of
18 mandate.

19 (b) The county or city and county shall reimburse the State
20 Board of Equalization for any costs the board incurs in preparing
21 to administer and operate the tax. The county or city and county
22 shall reimburse the board as the costs are incurred and billed by
23 the board, on a monthly basis. These reimbursable costs shall
24 include costs incurred for the following:

25 (1) Developing procedures.

26 (2) Programming for data processing.

27 (3) Developing and adopting appropriate regulations.

28 (4) Designing and printing forms.

29 (5) Developing instructions for the State Board of Equalization
30 staff and for taxpayers.

31 (6) Any other necessary preparatory costs, including the State
32 Board of Equalization's direct and indirect costs as specified by
33 Section 11256 of the Government Code.

34 (c) Any dispute as to the amount of preparatory costs incurred
35 by the State Board of Equalization shall be resolved by the Director
36 of Finance, whose decision shall be final. The maximum amount
37 of all preparatory costs to be paid by the county or city and county
38 to the board shall not exceed one hundred seventy-five thousand
39 dollars (\$175,000).

1 (d) In addition to the amounts paid to the State Board of
2 Equalization for the preparatory costs described in subdivision
3 (b), the county or city and county shall reimburse the board for
4 the cost of the board's services in administering the tax. The
5 amount of this cost shall be determined by the board with the
6 concurrence of the Department of Finance.

7 (e) All revenues collected from taxes imposed pursuant to the
8 authorization of this chapter in counties or a city and county that
9 have contracted with the State Board of Equalization to administer
10 the tax shall be remitted to the board and allocated by the board
11 as follows:

12 (1) First, for reimbursement to the board for the reasonable
13 costs, as specified in subdivisions (b) and (d), of administering
14 and enforcing the tax ordinance on behalf of the county pursuant
15 to the contract between the board and the county or city and
16 county.

17 (2) Second, for transmission to each county or city and county
18 that has contracted with the board pursuant to subdivision (b) of
19 Section 7289.42, in proportion to the amount of revenues derived
20 from each county's or city and county's respective tax.

21 (f) The State Board of Equalization shall transmit to a county
22 or city and county all revenues derived from the taxes imposed
23 pursuant to this chapter and collected by the board pursuant to a
24 contract with the county or city and county periodically as promptly
25 as feasible. The transmittals shall be made at least twice in each
26 calendar quarter.

27 7289.44. (a) For a producer within a jurisdiction of a county
28 or city and county that elects to contract with the State Board of
29 Equalization to administer the tax pursuant to subdivision (b) of
30 Section 7289.42, the following apply:

31 (1) (A) The return and payment of any tax imposed pursuant
32 to the authorization of this chapter is due and payable to the board
33 quarterly on or before the last day of the month next succeeding
34 each calendar quarter.

35 (B) Each producer shall prepare and file with the board a return
36 in the form prescribed by the board containing information as the
37 board deems necessary or appropriate for the proper
38 administration of the tax. The return shall be filed on or before
39 the last day of the calendar month following the calendar quarter

1 to which it relates, together with a remittance payable to the board
2 for the amount of tax due for that period.

3 (2) The board may prescribe those forms and reporting
4 requirements as necessary to implement the tax, including, but not
5 limited to, information regarding the location of the well by county
6 or city and county, the gross amount of oil produced, the quantity
7 sold and the selling price, the prevailing market price of oil, and
8 the amount of tax due.

9 (3) The board shall administer and collect the tax, to the extent
10 practicable, pursuant to the Fee Collection Procedures Law (Part
11 30 (commencing with Section 55001) of Division 2). For purposes
12 of this part, the references in the Fee Collection Procedures Law
13 to “fee” shall include the tax imposed by this part, and to
14 “feepayer” shall include a producer required to pay the tax
15 imposed by this part.

16 (4) The board may prescribe, adopt, and enforce emergency
17 regulations relating to the administration and enforcement of this
18 chapter. Any emergency regulations prescribed, adopted, or
19 enforced pursuant to this chapter shall be adopted in accordance
20 with Chapter 3.5 (commencing with Section 11340) of Part 1 of
21 Division 3 of Title 2 of the Government Code, and for purposes of
22 that chapter, including Section 11349.6 of the Government Code,
23 the adoption of these regulations is an emergency and shall be
24 considered by the Office of Administrative Law as necessary for
25 the immediate preservation of the public peace, health and safety,
26 and general welfare. Notwithstanding Chapter 3.5 (commencing
27 with Section 11340) of Part 1 of Division 3 of Title 2 of the
28 Government Code, including subdivision (e) of Section 11346.1
29 of the Government Code, any emergency regulations adopted
30 pursuant to this section shall be filed with, but not be repealed by,
31 the Office of Administrative Law, and shall remain in effect until
32 revised by the director.

33 (b) If the producer is within the jurisdiction of a county or city
34 and county that has elected not to contract with the board to
35 administer the tax, the determinations, collection of tax,
36 overpayments, and refunds, and administration of the tax imposed
37 under the authorization of this chapter shall be prescribed in the
38 ordinance adopted by the county or city and county.

1 SEC. 6. Chapter 3.58 (commencing with Section 7289.50) is
2 added to Part 1.7 of Division 2 of the Revenue and Taxation Code,
3 to read:

4
5 CHAPTER 3.58. COUNTY SWEETENED BEVERAGE TAX
6

7 7289.50. (a) Subject to the requirements of this chapter, the
8 board of supervisors of a county or city and county may impose a
9 tax upon a distributor for the privilege of distributing bottled
10 sweetened beverages and concentrate in the county, as authorized
11 pursuant to Chapter 3.53 (commencing with Section 7289). The
12 board of supervisors may impose this tax within an incorporated
13 city within the county or city and county.

14 (b) Any tax imposed shall be calculated as follows:

15 (1) The tax on bottled sweetened beverages distributed in the
16 county or city and county shall be imposed per fluid ounce, not to
17 exceed one cent (\$0.01) per fluid ounce.

18 (2) The tax on concentrate distributed in the county or city and
19 county, either as concentrate or as a sweetened beverage derived
20 from that concentrate, shall be imposed per fluid ounce of
21 sweetened beverage produced from that concentrate, not to exceed
22 one cent (\$0.01) per fluid ounce. For purposes of calculating the
23 tax for concentrate, the volume of sweetened beverage to be
24 produced from concentrate shall be the largest volume resulting
25 from use of the concentrate according to any manufacturer's
26 instructions.

27 (c) There shall be exempted from the imposition of a tax imposed
28 the distribution of bottled sweetened beverages or concentrate
29 distributed by a distributor to:

30 (1) To a person when, pursuant to the contract of sale, the
31 bottled sweetened beverages or concentrates are shipped to a point
32 outside of this state by the distributor by means of any of the
33 following:

34 (A) Facilities operated by the distributor.

35 (B) Delivery by the distributor to a carrier, customs broker, or
36 forwarding agent, whether hired by the purchaser or not, for
37 shipment to the out-of-county point.

38 (2) To a person where the county or city and county is prohibited
39 from taxing that sale, use, or consumption under the Constitution
40 or laws of the United States or under the Constitution of this state.

1 7289.51. For purposes of any tax imposed, all of the following
2 definitions shall apply:

3 (a) “Beverage container” means any closed or sealed container
4 regardless of size or shape, including, without limitation, those
5 made of glass, metal, paper, plastic, or any other material or
6 combination of materials.

7 (b) “Bottled sweetened beverage” means a sweetened beverage
8 contained in a beverage container.

9 (c) “Beverage dispensing machine” means a device which mixes
10 concentrate with any one or more other ingredients and dispenses
11 the resulting mixture into an open container as a ready-to-drink
12 beverage.

13 (d) “Caloric sweetener” means any caloric substance suitable
14 for human consumption that humans perceive as sweet and
15 includes, without limitation, sucrose, fructose, including high
16 fructose corn sweetener, glucose, other sugars, and fruit juice
17 concentrates. “Caloric” means a substance that adds calories to
18 the diet of a person who consumes that substance.

19 (e) “Concentrate” means a syrup, powder, or base product that
20 is used for mixing, compounding, or making sweetened beverages
21 in a beverage dispensing machine. For purposes of this part,
22 “concentrate” does not include any of the following:

23 (1) Any product that is solely used in preparing coffee or tea.

24 (2) Any product for consumption by infants and which is
25 commonly referred to as “infant formula.”

26 (3) Any product for use for weight reduction.

27 (4) Any product containing milk or milk products or plant
28 proteins sources.

29 (5) Any frozen concentrate or freeze-dried concentrate to which
30 only water is added to produce a sweetened beverage containing
31 more than 10 percent natural fruit juice or more than 10 percent
32 natural fruit juice.

33 (6) Any product that is sold and is intended to be used for the
34 purpose of an individual consumer mixing a sweetened beverage.

35 (7) Medical food.

36 (8) Any product to which no caloric sweeteners have been
37 added.

38 (f) “Consumer” means a person who purchases a bottled
39 sweetened beverage or concentrate for a purpose other than resale
40 in the ordinary course of business.

1 (g) “Distribution” includes:

2 (1) *The sale of bottled sweetened beverages or concentrate to*
3 *a retailer.*

4 (2) *The receipt of untaxed bottled sweetened beverages or*
5 *concentrate in this state from an unregistered out-of-state*
6 *distributor by a retailer.*

7 (h) “Distributor” means any person, or the distributor’s agent,
8 who makes a distribution of bottled sweetened beverages,
9 sweetened beverages, or concentrate in the state, whether or not
10 that person also sells these products to consumers.

11 (i) “Medical food” means medical food as defined in Section
12 109971 of the Health and Safety Code.

13 (j) “Milk” means natural liquid milk, regardless of animal
14 source or butterfat content, natural milk concentrate, whether or
15 not reconstituted, regardless of animal source, plant source, or
16 butterfat content, or dehydrated natural milk, whether or not
17 reconstituted and regardless of animal source or butter fat content.

18 (k) “Natural fruit juice” means the original liquid resulting
19 from the pressing of fruit, the liquid resulting from the
20 reconstitution of natural fruit juice concentrate, or the liquid
21 resulting from the restoration of water to dehydrated natural fruit
22 juice.

23 (l) “Natural vegetable juice” means the original liquid resulting
24 from the pressing of vegetables, the liquid resulting from the
25 reconstitution of natural vegetable juice concentrate, or the liquid
26 resulting from the restoration of water to dehydrated natural
27 vegetable juice.

28 (m) “Nonalcoholic beverage” means any beverage not subject
29 to tax under Part 14 (commencing with Section 32001).

30 (n) “Person” means an individual, trust, firm, joint stock
31 company, business concern, business trust, receiver, trustee,
32 syndicate, social club, fraternal organization, estate, corporation,
33 including, but not limited to, a government corporation,
34 partnership, limited liability company, and association or any
35 other group or combination acting as a unit. “Person” also
36 includes any city, county, city and county, district, commission,
37 the state, or any department, agency, or political subdivision
38 thereof, any interstate body, and the United States and its agencies
39 and instrumentalities to the extent permitted by law.

1 (o) “Powder” or “base product” means a solid mixture of
2 ingredients used in making, mixing, or compounding sweetened
3 beverages by mixing the powder or base product with any one or
4 more other ingredients, including, without limitation, water, ice,
5 syrup, simple syrup, fruits, vegetables, fruit juice, vegetable juice,
6 or carbonation or other gas.

7 (p) “Retail sale” means the sale of bottled sweetened beverages
8 or sweetened beverages to a consumer.

9 (q) “Retailer” means any person who sells in this state bottled
10 sweetened beverages or sweetened beverages to a consumer,
11 whether or not that person is also a distributor as defined in this
12 section.

13 (r) “Sale” means the transfer of title or possession for
14 consideration in any manner or by any means whatever.

15 (s) “Simple syrup” means a mixture of sugar and water.

16 (t) (1) “Sweetened beverage” means any sweetened
17 nonalcoholic beverage sold for human consumption that contains
18 any added caloric sweeteners, including, but not limited to, the
19 following: soda water, ginger ale, root beer, all beverages
20 commonly referred to as cola, lime, lemon, lemon-lime, and other
21 flavored beverages, including any fruit or vegetable beverage
22 containing 10 percent or less natural fruit juice or natural
23 vegetable juice, and all other drinks and beverages commonly
24 referred to as “soda,” “soda pop,” and “soft drinks.”

25 (2) “Sweetened beverage” does not include any of the following:

26 (A) Any product sold in liquid form for consumption by infants,
27 which is commonly referred to as “infant formula.”

28 (B) Any product sold in liquid form for use for weight reduction.

29 (C) Water, to which no caloric sweeteners have been added.

30 (D) Any product containing milk or milk products or plant
31 protein sources.

32 (E) Medical food.

33 (F) Coffee or tea.

34 (u) “Syrup” means the liquid mixture of ingredients used in
35 making, mixing, or compounding sweetened beverages using one
36 or more other ingredients including, without limitation, water, ice,
37 a powder, simple syrup, fruits, vegetables, fruit juice, vegetable
38 juice, or carbonation or other gas.

1 7289.52. *Prior to the operative date of any ordinance imposing*
2 *a tax pursuant to this chapter, the board of supervisors of the*
3 *county or city and county shall do either of the following:*

4 (a) *Notify the State Board of Equalization in writing that the*
5 *county or city and county will be responsible for administering*
6 *the tax imposed pursuant to an ordinance authorized by this*
7 *chapter on its own behalf, and that the ordinance does not impose*
8 *any duties or responsibilities for administering the tax upon the*
9 *State Board of Equalization.*

10 (b) *Contract with the State Board of Equalization to perform*
11 *all functions incident to the administration and operation of the*
12 *ordinance. If the county or city and county has not contracted with*
13 *the board prior to the operative date of the ordinance, but shall*
14 *contract, the operative date shall be delayed until the first day of*
15 *the first calendar quarter following the execution of the contract.*

16 7289.53. *For a county or city and county that elects to contract*
17 *with the State Board of Equalization to administer a tax imposed*
18 *by the county or city and county, as authorized by this chapter,*
19 *the following shall apply:*

20 (a) *The contract shall require the county to do both of the*
21 *following:*

22 (1) *Reimburse the State Board of Equalization for, and hold the*
23 *board harmless from, any and all costs, losses, or refunds.*

24 (2) *In the event that a legal action is commenced challenging*
25 *the validity of the tax in its entirety, as opposed to the application*
26 *of the tax to an individual taxpayer, place the tax proceeds into*
27 *an interest-bearing escrow account until the legality of the tax is*
28 *resolved by a final and nonappealable decision rendered by a*
29 *court of competent jurisdiction. This paragraph shall be*
30 *enforceable by any interested party in a proceeding for a writ of*
31 *mandate.*

32 (b) *The county or city and county shall reimburse the State*
33 *Board of Equalization for any costs the board incurs in preparing*
34 *to administer and operate the tax. The county or city and county*
35 *shall reimburse the board as the costs are incurred and billed by*
36 *the board, on a monthly basis. These reimbursable costs shall*
37 *include costs incurred for the following:*

38 (1) *Developing procedures.*

39 (2) *Programming for data processing.*

40 (3) *Developing and adopting appropriate regulations.*

1 (4) *Designing and printing forms.*

2 (5) *Developing instructions for the State Board of Equalization*
3 *staff and for taxpayers.*

4 (6) *Any other necessary preparatory costs, including the State*
5 *Board of Equalization's direct and indirect costs as specified by*
6 *Section 11256 of the Government Code.*

7 (c) *Any dispute as to the amount of preparatory costs incurred*
8 *by the State Board of Equalization shall be resolved by the Director*
9 *of Finance, whose decision shall be final. The maximum amount*
10 *of all preparatory costs to be paid by the county or city and county*
11 *to the board shall not exceed one hundred seventy-five thousand*
12 *dollars (\$175,000).*

13 (d) *In addition to the amounts paid to the State Board of*
14 *Equalization for the preparatory costs described in subdivision*
15 *(b), the county or city and county shall reimburse the board for*
16 *the cost of the board's services in administering the tax. The*
17 *amount of this cost shall be determined by the board with the*
18 *concurrence of the Department of Finance.*

19 (e) *All revenues collected from taxes imposed pursuant to the*
20 *authorization of this chapter in counties or a city and county that*
21 *have contracted with the State Board of Equalization to administer*
22 *the tax shall be remitted to the board and allocated by the board*
23 *as follows:*

24 (1) *First, for reimbursement to the board for the reasonable*
25 *costs, as specified in subdivisions (b) and (d), of administering*
26 *and enforcing the tax ordinance on behalf of the county pursuant*
27 *to the contract between the board and the county or city and*
28 *county.*

29 (2) *Second, for transmission to each county or city and county*
30 *that has contracted with the board pursuant to subdivision (b) of*
31 *Section 7289.52, in proportion to the amount of revenues derived*
32 *from each county's or city and county's respective tax.*

33 (f) *The State Board of Equalization shall transmit to a county*
34 *or city and county all revenues derived from the taxes imposed*
35 *pursuant to this chapter and collected by the board pursuant to a*
36 *contract with the county or city and county periodically as promptly*
37 *as feasible. The transmittals shall be made at least twice in each*
38 *calendar quarter.*

39 7289.54. (a) *For a distributor that is subject to the jurisdiction*
40 *of a county or city and county that elects to contract with the State*

1 *Board of Equalization to administer the tax pursuant to subdivision*
2 *(b) of Section 7289.52, the following apply:*

3 *(1) Every distributor shall register with the board. Every*
4 *application for registration shall be made upon a form prescribed*
5 *by the board and shall set forth the name under which the applicant*
6 *transacts or intends to transact business, the location of his or her*
7 *place or places of business, and any other information as the board*
8 *may require. An application for an account shall be authenticated*
9 *in a form or pursuant to methods as may be prescribed by the*
10 *board.*

11 *(2) (A) There is exempt from any tax the distribution of bottled*
12 *sweetened beverages or concentrate distributed by a distributor*
13 *to a distributor registered with the board under paragraph (1)*
14 *when supported by a properly completed exemption certificate.*

15 *(B) The exemption certificate to be provided by a distributor to*
16 *another distributor as described in subparagraph (A) shall consist*
17 *of a statement that is signed under penalty of perjury by a person*
18 *with authority to bind the distributor. The certificate shall be dated*
19 *and include the distributor's name and account number. A new*
20 *certificate shall be given if any information in the current*
21 *certificate changes. The certificate may be included as part of any*
22 *business records normally used to document a sale or distribution.*

23 *(C) A distributor who has paid a tax, either directly to the board*
24 *or to another distributor registered pursuant to paragraph (1),*
25 *and makes a subsequent distribution of bottled sweetened*
26 *beverages or concentrate may claim a credit on its return for the*
27 *period in which the subsequent sale or distribution occurs.*

28 *(3) (A) The return and payment of any tax imposed pursuant*
29 *to the authorization of this chapter is due and payable to the board*
30 *quarterly on or before the last day of the month next succeeding*
31 *each calendar quarter.*

32 *(B) Each distributor shall prepare and file with the board a*
33 *return in the form prescribed by the board containing information*
34 *as the board deems necessary or appropriate for the proper*
35 *administration of the tax. The return shall be filed on or before*
36 *the last day of the calendar month following the calendar quarter*
37 *to which it relates, together with a remittance payable to the board*
38 *for the amount of tax due for that period.*

39 *(4) The board may prescribe those forms and reporting*
40 *requirements as necessary to implement the tax, including, but not*

1 limited to, information regarding the total amount of bottled
2 sweetened beverages and concentrate sold and the amount of tax
3 due.

4 (5) The board shall administer and collect the tax, to the extent
5 practicable, pursuant to the Fee Collection Procedures Law (Part
6 30 (commencing with Section 55001) of Division 2). For purposes
7 of this part, the references in the Fee Collection Procedures Law
8 to “fee” shall include the tax imposed by this part, and to
9 “feepayer” shall include a producer required to pay the tax
10 imposed by this part.

11 (6) The board may prescribe, adopt, and enforce emergency
12 regulations relating to the administration and enforcement of this
13 chapter. Any emergency regulations prescribed, adopted, or
14 enforced pursuant to this chapter shall be adopted in accordance
15 with Chapter 3.5 (commencing with Section 11340) of Part 1 of
16 Division 3 of Title 2 of the Government Code, and for purposes of
17 that chapter, including Section 11349.6 of the Government Code,
18 the adoption of these regulations is an emergency and shall be
19 considered by the Office of Administrative Law as necessary for
20 the immediate preservation of the public peace, health and safety,
21 and general welfare. Notwithstanding Chapter 3.5 (commencing
22 with Section 11340) of Part 1 of Division 3 of Title 2 of the
23 Government Code, including subdivision (e) of Section 11346.1
24 of the Government Code, any emergency regulations adopted
25 pursuant to this section shall be filed with, but not be repealed by,
26 the Office of Administrative Law, and shall remain in effect until
27 revised by the director.

28 (7) Returns shall be authenticated in a form or pursuant to
29 methods as may be prescribed by the board.

30 (b) If the distributor is within the jurisdiction of a county or city
31 and county that has elected not to contract with the board to
32 administer the tax, the determinations, collection of tax,
33 overpayments, refunds, and administration of the tax imposed
34 under the authorization of this chapter shall be prescribed in the
35 ordinance adopted by the county or city and county.

36 SEC. 7. Section 17041.5 of the Revenue and Taxation Code is
37 amended to read:

38 17041.5. Notwithstanding any statute, ordinance, regulation,
39 rule or decision to the contrary, ~~no a city, county, city and county,~~
40 governmental subdivision, district, public and quasi-public

1 corporation, municipal corporation, whether incorporated or not
2 or whether chartered or not, shall *not* levy or collect or cause to
3 be levied or collected any tax upon the income, or any part thereof,
4 of any person, resident, or nonresident.

5 This section shall not be construed so as to prohibit the levy or
6 collection of any otherwise authorized license tax upon a business
7 measured by or according to gross receipts.

8 *SEC. 8. Section 17041.6 is added to the Revenue and Taxation*
9 *Code, to read:*

10 *17041.6. (a) A local ordinance, authorized pursuant to Chapter*
11 *3.53 (commencing with Section 7289) of Part 1.7, imposing a local*
12 *personal income tax shall become operative for taxable years*
13 *beginning on or after January 1 of the first calendar year following*
14 *approval by the voters of the county or city and county, provided*
15 *written notice of that approval is provided by the county or city*
16 *and county elections official no later than September 30 of the*
17 *preceding calendar year.*

18 *(b) (1) A local personal income tax may be calculated as a*
19 *percentage of taxable income shown on the state personal income*
20 *tax return filed for a taxable year by a resident of the county in*
21 *which the local personal income tax is imposed.*

22 *(2) A local personal income tax shall not exceed 1 percent of*
23 *taxable income for a taxable year.*

24 *(3) A local personal income tax may be imposed on one or more*
25 *of the income tax brackets prescribed in Section 17041.*

26 *(c) For each taxable year for which a local personal income*
27 *tax is operative under subdivision (a), in addition to any other*
28 *taxes imposed by this part, an additional tax on the taxable income*
29 *of a county or city and county resident shall be imposed at the rate*
30 *approved by the voters of that county or city and county.*

31 *(d) For purposes of applying Part 10.2 (commencing with*
32 *Section 18401) of Division 2, the tax imposed under this section*
33 *shall be treated as if it were imposed under Section 17041.*

34 *(e) Any credit authorized under this part shall not be applied*
35 *to reduce taxes imposed under this section.*

36 *(f) Amounts paid for the local personal income tax authorized*
37 *under this section shall not be allowed as a deduction under this*
38 *part.*

39 *(g) (1) Prior to the operative date of any ordinance imposing*
40 *a local personal income tax, the county or city and county shall*

1 *contract with the Franchise Tax Board to perform all functions*
2 *incident to the administration of the local personal income tax.*

3 *(2) The contract shall require the county or city and county to*
4 *reimburse the Franchise Tax Board for all refunds, losses, and*
5 *costs incurred in the administration and operation of the local*
6 *personal income tax.*

7 *(h) Any information, information sources, or enforcement*
8 *remedies and capabilities available to the county or city and county*
9 *shall be made available to the Franchise Tax Board to be used in*
10 *conjunction with, or independent of, the information, information*
11 *sources, or remedies and capabilities available to the Franchise*
12 *Tax Board for purposes of administering this section.*

13 *(i) The Franchise Tax Board may adopt regulations necessary*
14 *to administer this section.*

15 *(j) (1) Amounts collected pursuant to this section shall be*
16 *transmitted to the Treasurer and deposited in the State Treasury*
17 *to the credit of the Local Personal Income Tax Account in the*
18 *General Fund, which is hereby created.*

19 *(2) Notwithstanding Section 13340 of the Government Code,*
20 *the moneys in the Local Personal Income Tax Account are hereby*
21 *continuously appropriated, without regard to fiscal year, to the*
22 *Controller for allocation to each county and city and county in*
23 *which the local personal income tax is imposed.*

24 *SEC. 9. Section 30111 of the Revenue and Taxation Code is*
25 *amended to read:*

26 *30111. The taxes imposed by this part are in lieu of all other*
27 *state, county, municipal, or district taxes on the privilege of*
28 *distributing cigarettes or tobacco products.*

29 *This section does not prohibit the application of Part 1*
30 *(commencing with Section 6001), Part 1.5 (commencing with*
31 *Section 7200), Part 1.6 (commencing with Section 7251), or Article*
32 *2 (commencing with Section 37021) of Part 17 to the sale, storage,*
33 *use, or other consumption of cigarettes or tobacco products, or a*
34 *local ordinance, authorized pursuant to Chapter 3.53 (commencing*
35 *with Section 7289), imposing a local alcoholic beverage tax in*
36 *accordance with Chapter 3.55 (commencing with Section 7289.20).*

37 *SEC. 10. Section 32010 of the Revenue and Taxation Code is*
38 *amended to read:*

1 32010. The taxes imposed by this part are in lieu of all county,
2 municipal, or district taxes on the sale of beer, wine, or distilled
3 spirits.

4 This section does not prohibit the application of Part 1
5 (commencing with Section 6001), Part 1.5 (commencing with
6 Section 7200), or Part 1.6 (commencing with Section 7251) to the
7 sale, storage, use, or other consumption of beer, wine, or distilled
8 spirits, *or a local ordinance, authorized pursuant to Chapter 3.53*
9 *(commencing with Section 7289), imposing a local cigarette and*
10 *tobacco products tax in accordance with Chapter 3.56*
11 *(commencing with Section 7289.30).*

12 ~~SECTION 1. Chapter 3.8 (commencing with Section 7295) is~~
13 ~~added to Part 1.7 of Division 2 of the Revenue and Taxation Code,~~
14 ~~to read:~~

15
16 ~~CHAPTER 3.8. GENERAL AUTHORIZATION~~
17

18 ~~7295. Notwithstanding any other law, but subject to the~~
19 ~~limitations of the California Constitution, the board of supervisors~~
20 ~~of any county or city and county may, by ordinance or resolution~~
21 ~~approved by the board in compliance with statutory requirements~~
22 ~~for submitting a tax to the voters, place on the ballot a tax,~~
23 ~~including, but not limited to, a local personal income tax, a local~~
24 ~~corporate income tax, and a local sales and use tax, for~~
25 ~~consideration by the voters.~~